

EXHIBIT H



*Preliminary Expert Report prepared by
Tara A. Stephenson, Principal, The Woodward Group, Ltd.
on behalf of RC Components, Inc. regarding
Rimmax Wheels, LLC vs. RC Components, Inc.*

October 31, 2006

Background

The Woodward Group, Ltd. ("Woodward") has been retained by Morris Nichols Arsht & Tunnell LLP and RC Components, Inc. to provide consultation, analyses, reports and/or testimony, if so requested, with respect to assessing the damages claimed by Rimmax Wheels, LLC ("Rimmax") and the fair value of amounts currently owed, if any, by parties involved in a civil action filed by Rimmax Wheels, LLC ("Rimmax") regarding spinning rims for motorcycle wheels manufactured by RC Components, Inc. ("RC Components").

Preliminary Opinions

Woodward has received and reviewed the documents and appended exhibits indicated below as of October 31, 2006. Based on review of the depositions of the Rimmax owners, we expect additional documents may become available through Rimmax document production and be relevant to Woodward's analyses. If and when Rimmax produces such documents and these are made available to Woodward, the opinions in this report and Exhibit appended hereto may change. In addition, further analyses and exhibits may be developed based on such documents. Based on review of the information and materials indicated below, Woodward has formulated the following opinions:

1. Rimmax was a development stage business formed in 2002 as a distributor of spinning rims for motorcycle wheels with minimal start-up capital,¹ which, along with other factors, increased the probability of business failure.²
2. The two Rimmax owners had no pre-existing customer base relevant to selling spinning rims for motorcycle wheels. Based on the testimony of the Rimmax owners, fewer than two dozen customers resulted from (i) Rimmax owner motorcycle show attendance; (ii) two magazine advertisements; and/or (iii) product placement in two unidentified, and potentially unreleased,

¹ Mathis transcript Volume 1 September 25, 2006, page 15, lines 13-17.

² "Redefining Business Success: Distinguishing Between Closing and Failure" by Brian Headd *Small Business Economics* 21:51-61, 2003. "Closure rates reveal what most would expect, employers and firms with starting capital of more than \$50,000 have low closure rates, while firms with no starting capital and young owners have high closure rates. Industry differences are also as expected, with manufacturers having lower closure rates than service and retail trade firms."

6 and 8 South Plum Street
Media, Pennsylvania 19063

Telephone	610.627.1636
Facsimile	610.627.1511
Web	www.woodwardgroup.com



music videos³ and per Exhibit G of the Plaintiff's Response to the Defendant's Request for Production of Documents.

3. Based on the materials produced and reviewed to date, Rimmax and/or its owners have not established that they owned identifiable, valuable and/or unique intellectual property when they approached RC Components to manufacture spinning rims for motorcycle wheels. The Rimmax owners did, however, file design patents in May and September 2003, after meeting with RC Components. In addition, the Rimmax owners appear to have filed a utility patent that has not been granted.⁴
4. Rimmax is owed no amounts as a refund or rebate of monies paid by it to RC Components, because (i) RC Components' selling price per set of wheel spinners was \$2,416;⁵ and (ii) Rimmax paid only \$80,000 for 54 wheel sets.⁶ Rimmax did not, therefore, pay in full for the orders it placed with RC Components.
5. Rimmax's claim for lost profits is speculative and cannot be proven with a reasonable degree of certainty, based on the materials produced and reviewed to date and the foregoing opinions.
6. Even assuming Rimmax obtained sufficient capital and achieved revenues in excess of those generated by RC Components through the sale of spinning rims for motorcycle wheels from the date of termination of Rimmax's relationship with RC Components on July 2, 2003 through August 31, 2006, Rimmax would have no value as a business, all as indicated in Exhibit A hereto.

Data and Other Information Relied Upon

1. Transcript of Testimony of Michael A. Rivers dated October 14, 2006.
2. Transcript of Testimony of Marc Mathis, Volumes I and II dated September 25, 2006 and September 26, 2006, respectively.
3. Rimmax Wheels, LLC Complaint against RC Components, Inc.

³ Mathis transcript Volume I September 25, 2006, pages 68, lines 17-24; page 69, line 1.

⁴ Mathis transcript Volume II September 26, 2005 pages 147-152.

⁵ Mathis transcript Volume I September 25, 2006, page 93 line 4.

⁶ Mathis transcript Volume I September 25, 2006, page 89 lines 13-19.

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4. Defendant's Answer to the Complaint.
5. Plaintiff's Response to the Defendant's Request for Production of Documents.
6. Stipulated Protective Order.
7. Industry and other publicly available information deemed relevant, including sources provided in Exhibit A hereto.

Qualifications of Tara A. Stephenson

Education: Georgetown University, B.S.F.S., International Economics.
Study abroad at the University of Edinburgh, Scotland. Dean's List. Certified fluency in Spanish.

Northwestern University J.L. Kellogg Graduate School of Management,
M.B.A., graduated with Distinction.

Professional Experience:

1996-Present The Woodward Group, Ltd.

Principal

Specialization in valuations, fairness opinions and middle market transactions, representing private and public corporations. Transaction expertise includes mergers and acquisitions, placements of senior and subordinated debt and equity and fairness opinions and valuations for corporations in a wide range of manufacturing and distribution businesses. Valuation matters encompass tangible and intangible assets, businesses, business units, options, rights and various securities.

1995-1996 The Dominion Group Limited

Managing Director

Head of investment banking for regional investment and merchant banking firm.

1990-1995 Berwind Financial Group, Inc.

Senior Vice President

Founding member of investment banking firm specializing in mergers and acquisitions and merchant banking investments in and acquisitions of businesses.

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1987-1990 CoreStates Financial Corporation
Vice President, investment banking

1982-1987 Previous Experience
Acted as Financial Analyst to Warburg Paribas Becker, since acquired by Merrill Lynch; Chief Analyst at Industrial Indemnity Financial Corporation; and Senior Corporate Finance Officer for Mellon Bank, N.A. In each of these positions, analytical work completed included financial and mathematical modeling and bidding strategies.

Publications:

Tara Stephenson, Helen Bowers, PhD., and Jane K. Storero, Esq. "Reducing Compensation Expense: Valuing Options in Light of SFAS No. 123R", *Employee Benefit Plan Review* (October 2006).

Tara Stephenson and Jane K. Storero, Esq., "Sharpening Your Negotiating Skills...What Every Company Should Know Before Meeting with a Potential Investor", *Opportunity World* (July-Aug. 2006).

Tara Stephenson and Jane K. Storero, Esq., "Valuing a Business Prior to a Capital Raise...What is Your Business Really Worth?", *Opportunity World* (May-June 2006).

Tara Stephenson and Jane K. Storero, Esq., "The Prefunding ABCs for Companies Seeking Capital...Getting the Corporate House in Order", *Opportunity World* (March-April 2006).

Tara Stephenson, "Optionality: A New Measure of Value—Valuing a Business When Normal Metrics Don't Help". *Capital Growth Interactive Venture Guide 2002*.

Tara Stephenson, "Is Your Company Ready for Prime Time?", *1998 Mid-Atlantic Guide to Venture Financing*.

Also interviewed and quoted in published works regarding venture investing, boards of directors and women entrepreneurs, including *Careerpreneurs* by D. Moore, Ph.D., and first place winner in the Business Category by ForeWord Magazine 2001.

Professional Associations:

Financial Management Association International, American Society of Appraisers.

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Academic Honorary Societies:

Beta Gamma Sigma.

Awards:

Pennsylvania Honor Roll of Women.
Philadelphia Business Journal "40 under 40" designation.
Business Philadelphia's "1997 Women to Watch".

Expert Testimony Legal Proceedings, previous four years:

Matter	Date	Court	Type of Testimony	Deposition or Trial Testimony
<i>TM Capital Corp. v. American Superconductor Corporation</i>	02/06	<i>Court of Chancery of the State of Delaware in and for New Castle County</i>	Contract damages	Deposition
<i>McCarter & English et al. v. United Phosphorus et al.</i>	10/04	AAA arbitration, Delaware	Contract damages	Panel testimony
<i>Blue Rhino Corporation v. PriceWaterhouseCoopers LLP</i>	11/02	NC State	Contract damages	Deposition

Compensation

Woodward is being compensated at the rate of \$300 per hour for consulting, testifying, reviewing documents, assessing damages and related tasks and \$200 per hour for data retrieval, financial analyses, research and related tasks in connection with this matter.

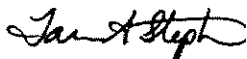
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The 
Woodward
Group
Ltd.

Expert's Certification and Signature

Tara Stephenson certifies that all work for this report was done directly by her or under her direct supervision and that this report is her work as of October 31, 2006 and submitted today on November 1, 2006. Woodward and Tara Stephenson do not have any interest in any of the businesses associated with this matter and there is no conflict or relationship past, present or contemplated that would affect the objectivity and independence of Woodward and Tara Stephenson.



Tara A. Stephenson

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EXHIBIT A

Rimmax Wheels, LLC
Forecasted Value of Potential Rimmax Cashflows Associated with
the Sale of Spinning Wheel Rims Manufactured by RC Components, Inc.

	<i>Fiscal Years Ended December 31st</i>		
	2003	2004	2005
RC Components assumed price per set ¹	\$2,416		
RC Component Spinning Rim Revenues ²	\$19,950	\$507,150	\$384,300
Rimmax Revenues ³	\$24,969	\$638,728	\$485,227
<i>Rimmax Gross Profit Margin</i>	20.1%	20.6%	20.8%
Rimmax Operating Profit ⁴	\$824	\$17,884	\$13,586
<i>Rimmax Operating Profit Margin</i>	3.3%	2.8%	2.8%
Rimmax All-in federal, state and local tax assumed at 40%	\$330	\$7,154	\$5,435
Rimmax Net Operating Profit after Tax	\$494	\$10,731	\$8,152
Rimmax Working Capital Investment ⁵	\$8,937	\$233,294	(\$57,049)
Rimmax Free Cashflows	(\$8,442)	(\$222,564)	\$65,201
			\$88,201
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Present Value of Free Cashflows as of July 2, 2003 @ 40%</p> <p>Plus assumed liquidated value of working capital</p> <p>Total Implied Rimmax value⁶</p> </div>			
			(\$86,252)
			\$48,999
			(\$37,252)

¹ Mathis transcript Volume I September 25, 2006 93:4.

² Per correspondence dated September 15, 2006 from Defendant's to Plaintiff's counsel. Revenues for 2003 are assumed to be for the period July 2, 2003 through December 31, 2003 and revenues for 2004 are assumed to be for the eight months ended 08.31.06.

³ Revenues are based on RMA operating data for motorcycle dealers with revenues of \$1-\$3 million, through use of 2003-2005 gross profits for this category. Cost of goods sold is assumed to equal RC Components' revenues.

⁴ RMA operating profit data for *all* motorcycle dealers for 2003-2005, which exceeds data for motorcycle dealers with revenues of \$1-\$3 million, the smallest category reported by RMA, at 1.2%, 0.5% and 0.3%, for 2003, 2004 and 2005, respectively. 2006 operating profit margin is assumed to equal that of 2005.

⁵ Based on RMA data for 2003-2005 days outstanding receivables, inventory and payables for motorcycle dealers with sales of \$1-3 million. Days outstanding for 2006 are assumed to equal those of 2005.

⁶ Does not account for the current value of historical losses; incorporating an opportunity cost of funds or the effect of inflation from 2003 through the current period increases the negative value of Rimmax.